JOURNAL OF
Economic Theory

EDITOR: Karl Shell

ASSOCIATE EDITORS:

Yves Balasko
Jeffrey S. Banks
William A. Brock
Vincent P. Crawford
Gerard Debreu
Eddie Dekel
Darrell Duffie
David Easley
Larry G. Epstein
Peter C. Fishburn
Drew Fudenberg
Douglas Gale
John Geanakoplos
Jean-Michel Grandmont
Faruk Gul
Walter P. Heller
Bengt Holmstrom
Chi-fu Huang
David K. Levine
Mark J. Machina
George J. Mailath
Edmond Malinvaud
Steven A. Matthews
Roger Myerson
Prasanta K. Pattanaik
Andrew Postlewaite
Edward C. Prescott
Roy Radner
John Roberts
Stephen A. Ross
Ariel Rubinstein
Mark A. Satterthwaite
Stephen E. Spear
David A. Starrett
Nancy L. Stokey
Randall Wright
William R. Zame

ADMINISTRATIVE EDITOR: Susan Witherow Schulze

Volume 55, 1991

ACADEMIC PRESS, INC.
Harcourt Brace Jovanovich, Publishers
San Diego New York Boston
London Sydney Tokyo Toronto

Copyright © 1991 by Academic Press, Inc.

All Rights Reserved

No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the copyright owner.

The appearance of the code at the bottom of the first page of an article in this journal indicates the copyright owner's consent that copies of the article may be made for personal or internal use, or for the personal or internal use of specific clients. This consent is given on the condition, however, that the copier pay the stated per copy fee through the Copyright Clearance Center, Inc. (27 Congress Street, Salem, Massachusetts 01970), for copying beyond that permitted by Sections 107 or 108 of the U.S. Copyright Law. This consent does not extend to other kinds of copying, such as copying for general distribution, for advertising or promotional purposes, for creating new collective works, or for resale. Copy fees for pre-1991 articles are as shown on the article title pages; if no fee code appears on the title page, the copy fee is the same as for current articles.

0022-0531/91 $3.00

This journal is printed on acid-free paper.

Printed by Catherine Press, Ltd., Brugge, Belgium

Contents of Volume 55

Number 1, October 1991

Itzhak Zilcha. Characterizing Efficiency in Stochastic Overlapping Generations Models 1

Thomas R. Palfrey and Sanjay Srivastava. Efficient Trading Mechanisms with Pre-play Communication 17

Thomas A. Gresik. Ex Ante Incentive Efficient Trading Mechanisms without the Private Valuation Restriction 41

Prajit K. Dutta. What Do Discounted Optima Converge to?: A Theory of Discount Rate Asymptotics in Economic Models 64

Marcus Berliant and Thijs ten Raa. On the Continuum Approach of Spatial and Some Local Public Goods or Product Differentiation Models: Some Problems 95

Andrei V. Dmitruk and Gleb A. Koshevoy. On the Existence of a Technical Efficiency Criterion 121

Peter Bardsley. Global Measures of Risk Aversion. 145

Notes, Comments, and Letters to the Editor

Yaw Nyarko and Lars J. Olson. Stochastic Dynamic Models with Stock-Dependent Rewards 161

Jacques Robert. Continuity in Auction Design 169

Alejandro Hernández D. The Dynamics of Competitive Equilibrium Allocations with Borrowing Constraints . . . 180

Nirvikar Singh. Posterior-Preserving Information Improvements and Principal-Agent Relationships. 192

Tatsuyoshi Saijo. Incentive Compatibility and Individual Rationality in Public Good Economies 203

Hyung Bae. Multitrade Bargaining 213

Julio Sánchez Chóliz. Note on Roemer's Indecomposability 220

Announcement 226

Papers to Appear in Forthcoming Issues 227

Number 2, December 1991

Eddie Dekel, Zvi Safra, and Uzi Segal. Existence and Dynamic Consistency of Nash Equilibrium with Non-expected Utility Preferences 229

Steven A. Matthews, Masahiro Okuno-Fujiwara, and Andrew Postlewaite. Refining Cheap-Talk Equilibria. 247
Matthew Jackson and James Peck. Speculation and Price Fluctuations with Private, Extrinsic Signals 274
Patrick Legros and Hitoshi Matsushima. Efficiency in Partnerships 296
Jess Benhabib and Aldo Rustichini. Vintage Capital, Investment, and Growth. 323
Hua He. Optimal Consumption-Portfolio Policies: A Convergence from Discrete to Continuous Time Models. 340
Charles Blackorby, Russell Davidson, and William Schworm. Implicit Separability: Characterisation and Implications for Consumer Demands 364
Alejandro M. Manelli. Core Convergence without Monotone Preferences and Free Disposal 400

Notes, Comments, and Letters to the Editor

Yaw Nyarko. Learning in Mis-specified Models and the Possibility of Cycles 416
Martin Cripps. Correlated Equilibria and Evolutionary Stability 428
Louis Eeckhoudt, Christian Gollier, and Harris Schlesinger. Increases in Risk and Deductible Insurance 435
Debashis Pal. Cournot Duopoly with Two Production Periods and Cost Differentials 441
Onno van Hilten. The Optimal Lifetime of Capital Equipment 449

Announcements 455

Papers to Appear in Forthcoming Issues 457

Author Index for Volume 55 459